

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Behavioral Health	(2) MEETING DATE 8/6/2013	(3) CONTACT/PHONE Cindy Collins, ASM, 788-2932 Amy Olson, ASO II, 781-4729	
(4) SUBJECT Request to approve renewal contracts with Medical Doctor Associates, Inc., LocumTenens.com, and Jackson & Coker (Clerk's File) for Fiscal Year 2013-14 in the aggregate amount not to exceed \$693,000 to provide locum tenens (temporary) licensed psychiatrist services.			
(5) RECOMMENDED ACTION It is recommended that the Board approve and direct the Chairperson to sign the renewal contracts with Medical Doctor Associates, Inc., LocumTenens.com, and Jackson & Coker for FY 2013-14 in the aggregate amount not to exceed \$693,000 to provide locum tenens (temporary) licensed psychiatrist services.			
(6) FUNDING SOURCE(S) Medi-Cal, Realignment	(7) CURRENT YEAR FINANCIAL IMPACT \$693,000.00	(8) ANNUAL FINANCIAL IMPACT \$693,000.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____) <input type="checkbox"/> Board Business (Time Est. ____)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) 19001308		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: <u>06/19/2012</u>	
(17) ADMINISTRATIVE OFFICE REVIEW			
(18) SUPERVISOR DISTRICT(S) All Districts -			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Jeff Hamm, Health Agency Director
Karen Baylor, Ph.D., MFT, Behavioral Health Administrator

DATE: 8/6/2013

SUBJECT: Request to approve renewal contracts with Medical Doctor Associates, Inc., LocumTenens.com, and Jackson & Coker (Clerk's File) for Fiscal Year 2013-14 in the aggregate amount not to exceed \$693,000 to provide locum tenens (temporary) licensed psychiatrist services.

RECOMMENDATION

It is recommended that the Board approve and direct the Chairperson to sign the renewal contracts with Medical Doctor Associates, Inc., LocumTenens.com, and Jackson & Coker for FY 2013-14 in the aggregate amount not to exceed \$693,000 to provide locum tenens (temporary) licensed psychiatrist services.

DISCUSSION

The Health Agency's Behavioral Health Department requests approval to renew its contracts with Medical Doctor Associates, Inc. (MDA), LocumTenens.com, and Jackson & Coker which are locum tenens staffing agencies utilizing a nationwide pool of participating psychiatrists. Locum tenens assure proper mandated coverage and medical supervision at multiple clinic sites when permanent staff psychiatrist positions are vacant or coverage is needed due to vacations. The temporary agencies are able to provide a locum tenens psychiatrist within 60 days of our request.

There is a nationwide shortage of psychiatrists. A number of demographic and other factors continue to make this shortage especially prevalent in San Luis Obispo County, where demands for services exceed available resources. Recruitment and retention of this limited pool of licensed staff is impacted by competition from Atascadero State Hospital (ASH) and California Men's Colony (CMC). State salaries, retention bonuses, and retirement plans often draw potential candidates to ASH and CMC.

Although psychiatrist recruitment efforts continue, permanent staff vacancies remain unfilled and wait times increase for clients to receive psychiatrist assessments and medication support. The contracts with the locum tenens agencies will fill the gaps for mandated coverage throughout the clinics and help ensure the provision of timely client care.

OTHER AGENCY INVOLVEMENT/IMPACT

County Counsel has reviewed the contracts as to form and legal effect.

FINANCIAL CONSIDERATIONS

The contracts establish hourly rates for contract services, which are provided on an as needed basis. The FY 2013-14 Adopted budget includes 4,200 hours of locum tenens services at a cost of \$693,000. The Adopted budgeted amount is an estimate that is intended to cover the additional capacity not available with existing permanent staff or our contracted psychiatrists. It is however possible that continued vacancies in staff psychiatrist positions will result in additional locum tenens expense that exceeds the amount originally budgeted. Should this occur, the additional locum tenens expense will be offset with salary savings resulting from the corresponding staff psychiatrist vacancies. Alternately, if vacant permanent psychiatrist positions are filled then fewer locum tenen hours will be utilized and these expenses can be expected to fall below the budgeted amount.

The hourly rates for locum tenens rates have remained the same since 2009 for all but one contractor. Jackson & Coker requested a rate increase of \$34/hour for FY 2013-14, or 24%, over their 2012-13 rates. Jackson & Coker 2012-13 rates are at least \$5/hour, or 3.5%, lower than all other currently contracted locum tenen companies. After lengthy analysis and negotiation, the rates for Jackson & Coker were increased by \$5/hour (3.5%). This rate increase will allow Jackson & Coker to continue to refer quality doctors to the County.

The use of one contractor versus another can vary according to their ability to quickly provide appropriate staff at any given time. By contracting with more than one locum tenens provider, the Behavioral Health Department gains the flexibility to utilize one particular provider for all services, or a combination of providers during the year. The County will compensate each contract provider only for actual services rendered. By contracting with multiple providers, the Department furthers its ability to use its discretion in selecting the highest quality, most cost effective services available at any given time.

RESULTS

Psychiatric services are an integral part of all Behavioral Health programs and their outcomes. Psychiatrists provide psychiatric assessments and medication management to clients who are severely mentally ill or seriously emotionally disturbed. Psychiatrists are required to review and approve clinical documentation. Without these services, Behavioral Health cannot meet the availability and accessibility of service requirements mandated by the State.

The past few fiscal years have proved to be challenging regarding staffing for Psychiatrists. The Agency experienced a vacancy rate of approximately 3.5 FTE throughout fiscal years 2010-12 despite intensive recruiting efforts. During the 2012-13 fiscal year, the psychiatrist vacancy rate dropped to 2 FTE. The locum tenens provided psychiatric outpatient clinic services equivalent to nearly 3.0 FTE during the period 2010-12 (5,978 average hours per fiscal year) and nearly 1.8 FT during FY 2012-13 (3,572 hours through March 31, 2013). The remaining shortages were covered by independent contracted psychiatrists.

Locum tenens bridge the vacancy gap in two ways: preventing clients from having to travel to the next closest clinic with a psychiatrist available on-site; and keeping the Medical Director from needing to providing coverage for psychiatrist vacancies too often and thereby unwillingly neglecting administrative duties. Not only would any sort of travel requirement for clients provide a substantial barrier to access, but the increased wait time for psychiatric assessments and proper treatment would increases the risk of adverse outcomes for these youth at home and school, including law enforcement involvement and suicide. Locum tenens contracts assist the Behavioral Health Department in providing the necessary psychiatrist coverage to maintain appropriate levels of care. Providing the most appropriate services to these clients increases their probability of positive treatment outcomes. Furthermore, positive treatment outcomes contribute to the wider County vision of a healthy and safe community.

ATTACHMENTS

1. Clerks Filed Cover Sheet Locum Tenens Contract Group FY 13-14